45.00
40.00
35.00
30.00
29.10
25.00
20.00
15.00
10.00
EDIT, Daily
Apr
Jul
Oct
'17
Apr
Jul
Oct
'18
Apr
Jul
Oct
'19
Apr

"Stocks tend to move in swings, up and down.
But those swings comprise trending moves"

"When every new swing pushes price to a new higher high they comprise up trends"

"When every new swing pushes price to a new lower low they comprise down trends"

Green dots show new higher highs
Red dots show new lower lows
45.00
39.96
35.00
30.00
29.10
27.01
25.00
20.00
15.00
10.00
EDIT, Daily, Apr 2016 - Apr 2019
Apr
Jul
Oct
'17
Apr
Jul
Oct
'18
Apr
Jul
Oct
'19
Apr

Note that when price trends down it normally does not go in a vertical or straight way, the market makes a move up followed by a smaller move down.
The price travels in zig-zags

Green dots show new higher highs

Red dots show new lower lows

EDIT, Daily, Apr 2016 - Apr 2019

A new way up pushed price to a new higher high which is higher than prices reached during sixty preceding day. But when bulls make pause and bears come to life they can not push price to new lower lows.

Green dots show new higher highs

Red dots show new lower lows

EDIT, Daily, Apr 2016 - Apr 2019

*After each push to a new higher high bulls take pause. Bears step in and try to reverse the trend down. We call those countertrend moves either "**pullback**" or "**correction**"*

Green dots show new higher highs

Red dots show new lower lows

EDIT, Daily, Apr 2016 - Apr 2019

Every "pullback" or "correction" in the course of a trending move up is your chance to buy a stock and take advantage of an existing bullish momentum that drives prices higher

When bears push price down they take pauses as well. Every "pullback" or "correction" in the course of a trending move down is your chance to short a stock and take advantage of an existing bearish momentum that drives prices lower

Green dots show new higher highs

Red dots show new lower lows

EDIT, Daily, Apr 2016 - Apr 2019

Takeaways

- We consider price up trending when it keeps making new higher highs
- We consider price trending down when it keeps making new lower lows
- Either price trends up or down most often it moves in zig zags. Every move up making a higher higher is typically followed by a “pullback” or “correction”, a temporary countertrend move that normally is unable to breach the low made by the previous pullback
- Those temporary pullbacks in the course of up trending moves provide traders with opportunity to go long